



State of Kansas

Health Care Commission

2nd Quarter, June 2005

State Health Plan Continuation Program

Direct Bill News

Inside this issue:

Medical Plans & Vendors Announced	1
Medicare—The Basics	2
CMS-Making Medicare Make Sense	3
Question Direction	3
Building Better Health	4-7
Frequently Asked Questions	8

Special points of interest:

- New options for your health care coverage.
- Medicare Coverage reviewed
- Assistance for limited income in paying for prescription drugs.

The Health Care Commission approved the award of new medical contracts on July 1, 2005.

EARLY RETIREES and Medicare eligible retirees (with non-eligible spouses) will have five medical plans from which to choose. **HMOs:** Premier Blue(BCBS), Coventry and Preferred Plus of Kansas (PPK). **PPOs:** Kansas Choice (BCBS) and Coventry.

Two of the current PPOs will not be available in 2006: Kansas Prefer (Harrington) and Preferred Health Systems (PHS). If you were enrolled in either of those two plans, you will need to select a different plan during the Open Enrollment period. Our analysis indicated that for most participants, your current provider will still be available, but through a different insurance carrier. Staff will keep you informed as Open Enrollment draws near.

FOR RETIREES who are Medicare eligible, you have the previous five plans, plus Kansas

Senior Plan C will continue to be offered. In addition, a new option is a Medicare Advantage plan. This product is offered by Coventry which contracts with the Centers for Medicare and Medicaid Services (CMS) to provide Medicare beneficiaries access to managed care products. It includes prescription drugs. Medicare Advantage plans are subject to extensive Medicare regulations and oversight. These plans are designed to help beneficiaries save by better coordinating their care and offering preventative benefits.

Regarding Medicare D, CMS decisions are still forthcoming. For instance, companies bidding on offering a Prescription Drug Plan (PDP) will not be informed of a successful bid until September. Should the HCC offer its prescription drug coverage through a PDP, it must continue to wait to make decisions until more information is available.



The Direct Bill News is an official publication from the Kansas State Health Care Commission.

The newsletter is published quarterly. It is mailed to Direct Bill participants and is also published on-line at: <http://da.state.ks.us/hcc/direct.htm>

The Editorial Board members are: Connie Hafenstine and Jan Sides.

Managing Editor: Linda De Coursey

Copyright, all rights reserved.

Health Care Commission
900 SW Jackson
Suite 920-N
Topeka, KS 66612

785-296-6280

Duane Goossen, Chair and Secretary of Administration; Sharon Bolyard, Classified Service; Connie Hafenstine, Retiree from Classified Service; Sandy Praeger, Commissioner of Insurance and John Staton, public representative.

Continued from front page

Upon further guidance from CMS, the HCC will evaluate the best direction to go for Direct Bill participants. Staff will do their best to make sure that retirees' have appropriate information in which to make informed decisions on health care coverage during Open Enrollment. We understand your need for information and urge your patience. ☙

Medicare—The Basics

Many of our participants have asked for us to summarize Medicare. It is a federal health insurance program for people 65 years or older, people with permanent kidney failure, and certain disabled persons under 65. Medicare is administered by the Centers for Medicare and Medicaid Services (CMS). Medicare was never intended to pay for 100% of your medical bills, but it forms the foundation for protection against large medical expenses. There are gaps in the Medicare coverage where the beneficiary must pay a portion, but there are "gap" policies to help with that coverage. Medicare has four parts:

Part A
Hospital Insurance
(no premium)

Part B
Medical Insurance
(monthly premium
of \$78.20 in 2005)

Part C
Medicare Advantage
(old Medicare +
Choice plans)

Part D
Prescription Drug
Benefits (available in
2006).

Quick facts about
Medicare Part D
starting on January
1, 2006.

- You must choose a Medicare prescription drug plan (can be through your group health plan).
- You must enroll for coverage and enrollment is open from November 15, 2005 through May 15, 2006. If you join by December 31, 2005 coverage begins on January 1, 2006.
- Costs will vary depending on the plan chosen. The monthly premium is around \$37 in 2006, with a yearly deductible of \$250. Medicare helps pay for drugs at 75% up to a limit of \$2,250. The beneficiary then pays 100% until the true out-of-pocket costs reach \$3,600. Beyond that the beneficiary pays 5% and Medicare pays 95% of the costs for the rest of the year.
- People with limited income and resources will receive extra help paying for their prescription drug coverage. ☙

From CMS—Making Medicare Make Sense

Q: Starting January 1, 2006, Medicare will offer prescription drug coverage for *all* people with Medicare. Folks with Medicare who have limited income and resources, may qualify for extra help paying for their prescription drugs. What do people with Medicare need to know?

A: If your annual **income** is below \$14,355 for a single person (or \$19,245 if married and living with your spouse), you may qualify for extra help. Slightly higher income levels may apply if you provide $\frac{1}{2}$ support to other family members living with you, or if you work or reside in Alaska and Hawaii. If

your resources (including your savings and stocks, but not counting your home or car) are under \$11,500 (for a single person) or under \$23,000 (for a married couple) you may qualify for extra help paying for your Medicare prescription drug costs. You can apply for this extra help through the Social Security Administration or the State Medical Assistance Office. Social Security is mailing the application for extra help to those who *may* qualify. If you receive an application, fill it out and return it in the enclosed postage paid envelope. The amount of extra help you will get depends on

your income and resources. You will still need to join a Medicare prescription drug plan for Medicare to pay for their drug costs. Enrollment into a Medicare prescription drug plan begins November 15, 2005 and ends May 15, 2006. If you join by December 31, 2005, your coverage will begin January 1, 2006. If you join after January 1, 2006, your coverage starts the first day of the month after the month you join. If you qualify for extra help, you will have continuous drug coverage and will pay only a small amount for your prescriptions.



Q: Where do you go for more information on this or information on any Medicare question?

A: For more information on who can get extra help with prescription drug costs and how to apply, call the Social Security Administration at 1-800-772-1213, or www.socialsecurity.gov on the web. TTY users should call 1-800-325-0778. Soon, you will receive detailed information from Medicare about your choice of Medicare prescription drug plans in October 2005. Also, you can look at the "Medicare & You 2006" handbook that will be mailed in the fall or visit www.medicare.gov on the web or call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

Have Questions? Who Are You Going To Call?

Claim question?

Please contact your health plan provider. Their phone numbers are listed on the inside cover of the Open Enrollment book, on your ID card, and on the provider's website.

Drug claim questions?

AdvancePCS is now Caremark, and phone numbers remain the same.

Membership question? Please contact Deb Dumas by writing to: Division of

Health Planning and Finance, 900 SW Jackson, Suite 920-N, Topeka, KS 66612-1251.

Or call: 1-866-541-7100 or 1-785-296-1715

Email: Deb. Dumas @ da.state.ks.us

CONEXIS is the third party administrator that provides the billing service for all Direct Bill participants. CONEXIS toll free number is:



1-866-214-2978

Hearing Loss

Loss of hearing touches the lives of a surprising number of seniors. It affects

- One-third of Americans over age 60, and
- Up to half of those 75 years of age and older.



"can hear, but can't understand" what is being said. This problem also makes it hard to follow a conversation when there is noise in the background.

The loss of hearing with presbycusis is so gradual that those who have it may not even be aware of the problem. It often affects both ears and tends to run in families. There are two

major risk factors for this condition. They include the effects of aging, combined with long-term exposure to noise. Although there is no cure, presbycusis seldom causes total deafness.

However, hearing problems that are ignored or untreated can get worse. The first step is to see your family doctor. In some cases, your family doctor can treat your problem. Or you may be referred to an otolaryngologist (ōh-toe-lāir-īn-gāh-lōw-jīst). This doctor specializes in ear, nose and throat problems.

You may also see an audiologist, a professional who performs hearing tests. These tests are painless and can tell if a hearing aid will help your type of hearing loss. If so, the audiologist can fit you with the right type of hearing aid and provide training in its use. Finding the right type of hearing aid and learning to use it correctly can take time and patience. But, most people with presbycusis report that hearing better made it well worth their effort.

Brought to you by
Kansas State Employees
Health Care Commission:





Ask An Expert

Arthritis and Exercise

I have arthritis and my doctor has told me to exercise. Does exercise help people with arthritis? How does it help?



Yes. Studies show exercise helps people with arthritis in many ways. Exercise reduces joint pain and stiffness. It can increase flexibility, muscle strength, cardiac fitness, and endurance. It also helps with weight loss and an improved

sense of well-being. You can find more information about arthritis and exercise at: [http://www.niams.nih.gov/hi/topics/arthritis/arthexfs.htm*](http://www.niams.nih.gov/hi/topics/arthritis/arthexfs.htm)



Research Highlights

Study Shows Medicine XYZ Causes a 300% Increase in Heart Attack



That's a large increase – it sounds scary. Hardly a day goes by without seeing a news story such as this one. What do these headlines really mean? How do they affect me? Should I make changes in what I'm doing?

Before you can answer these questions and others, you may need to know more. Let's use our example. What if you knew:

- Two out of every 10,000 people not taking *Medicine XYZ* have a heart attack
- A 300% increase for those taking *Medicine XYZ* means that six people (compared to just two) out of 10,000 have a heart attack

Just knowing these two facts can help you understand this headline about *Medicine XYZ*.

Another common source of confusion comes when studies contradict one another. One study shows that a new vaccine prevents a serious infection. Two months later, another study says it doesn't. How do we make sense of this? Which one should we believe?

There's a simple answer, talk to your doctor – that's the best way to know. Your doctor can tell you what these reports mean for your health. A fact sheet from the National Institute on Aging may also help. It is called *Understanding Risk: What Do Those Headlines Really Mean?* You may access a copy at: [http://www.niapublications.org/engagepages/risk.asp*](http://www.niapublications.org/engagepages/risk.asp) or call toll-free at 1-800-222-2225.

* The referenced Web sites and organizations are not operated by Caremark. Caremark is not responsible for the availability or reliability of the contents of those Web sites. Reference to any third party does not constitute or imply any endorsement, sponsorship or recommendation by Caremark.



Medication Update

Generic medications are just as safe and effective as brand name medications. They have the same active ingredients, dosage form and strength. They meet the same quality standards. On average, Caremark plan participants save 60 percent when they fill their prescriptions with generics instead of brand name medications. Why do they cost less? That's because companies that make them save on the cost of research and development. They pass the savings on to you. You may have a lower co-pay for a generic medication. Talk to your doctor or pharmacist about changing to a generic medication.

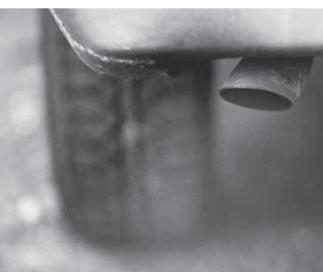
Brand Name Prescription Medications Now Available as Generics

Brand Name	Generic Name
Terazol 7 vaginal cream vaginal cream	Terconazole 0.4%
Duragesic transdermal (patch) systems	Fentanyl trans-dermal (patch) systems
Sporanox capsules	Itraconazole capsules



Staying Healthy

What are Ground-level Ozone and Airborne Particles?



These are the two air pollutants that most seriously threaten health. Seniors with heart or lung disease are especially at risk. Breathing high levels of these pollutants has been linked to an increase in emergency room visits and hospital admissions. This is especially true during outdoor activity or exercise. People breathe more deeply and faster during exercise. As a result, they inhale more pollutants into their lungs.

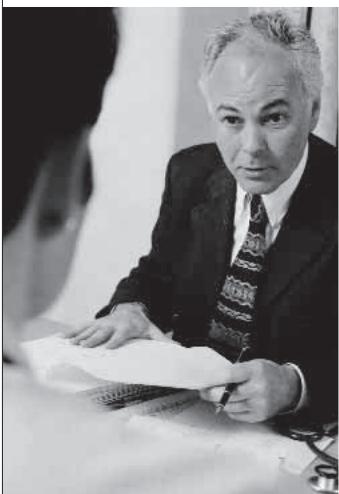
Airborne particles can be a problem any time of the year. But, ground-level ozone tends to be the worst between May and October. Here are some tips to help you limit your contact and prevent problems:

- Be aware of the air you breathe year round
- Consider using special filters or room air cleaners to help reduce indoor particles
- If you can see dirty air, presume it contains pollution that may make you sick
- Plan outdoor activities when ozone levels are lower. Most often this is in the morning or evening
- Try to avoid rush-hour traffic and crowded streets. Motor vehicles are a leading source of air pollution
- Check your daily air quality levels and air pollution forecasts. These are often
 - Given with local weather reports
 - Printed in newspapers
 - Available online at www.airnow.gov*



In The News

Medicare Problems? SHIP Offers Free Help!



Knowing all you need to about your Medicare benefit can be a challenge. Now there is help from the State Health Insurance Assistance Program (SHIP). This program provides free one-to-one counseling for Medicare members

and their families. Trained counselors offer services for a number of Medicare-related issues.

Some examples are:

- Medical claims and billing
- Medicare Advantage health plan options
- Facts about long-term care insurance
- Low income programs – facts and referrals

Each state has its own SHIP program. You can access yours at: <http://www.medicare.gov/contacts/static/allStateContacts.asp>* You can also call toll-free at 1-800-MEDICARE (1-800-633-4227) and ask for health insurance counseling.

* The referenced Web sites and organizations are not operated by Caremark. Caremark is not responsible for the availability or reliability of the contents of those Web sites. Reference to any third party does not constitute or imply any endorsement, sponsorship or recommendation by Caremark.



Caremark Inc.
2211 Sanders Road
Northbrook, IL 60062

Building Better Health for Seniors is published by Caremark for the benefit of its clients and plan participants. The information provided by this publication is intended to educate readers about subjects pertinent to their health, not as a substitute for a consultation with their doctor.

© Copyright 2005 Caremark. All rights reserved.

the 10th of the month. draft will occur with before. So the earliest the deducted on the Friday be-

- premium will be de-

follows on a weekend the month. If the 12th deducted on the 12th of the month.

A: Bank drafts will be

happen?

of the month will this account. On what date deducted from my bank automatically be de-

- duced from my bank

automatically be de-

Q: My premiums will

Pay the premiums. ance for as long as they State of Kansas insur-

- to continue with the spouse would be eligible

of your death, your

A: If your spouse is on

your coverage at the time

Q: Can my spouse con-

- tinue with the insurance

after my death?

Frequently Asked Questions

Presorted
Standard
US Postage
PAID
Permit 157

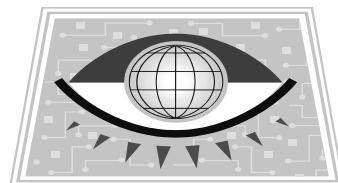
Topeka, KS 66612-1251
900 SW Jackson Street
Room 920-N
Health Care Commission

State of Kansas



compared to the tried-and-true generic demonstrates significant health benefits used when the clinical evidence clearly sources say that brand drugs should only be taken generic drugs with confidence. Some prescribe and monitor, so members may profiles, the drugs' characteristics, thus drugs. Physicians are familiar with safety due unpleasant surprises than new brand surveillance, generics are less likely to prove of this lengthy experience and post-market on the market for an average of 17 years as sources say that generics have a distinct advantage over newer drugs, having been in some participants minds. Some sources say that generics have been a question in safety of generic drugs has been a ques-

Generic Drugs vs. New Brands



We're On the Web!
<http://data.state.ks.us/>
hcc/direct.htm

Keeping Direct Bill participants informed!